

# California Public Utilities Commission/California Energy Commission Joint Staff Draft Proposal

## Senate Bill 350 Disadvantaged Communities Advisory Group Structure and Framework

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### Background

Senate Bill (SB) 350, the Clean Energy and Pollution Reduction Act of 2015, requires that the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC) establish an advisory group consisting of representatives from disadvantaged communities.<sup>1</sup> “Disadvantaged Communities” in SB 350 are defined by Health and Safety Code 39711 as the most burdened census tracts in California. Burden scoring is determined by 20 pollution/health and socio-economic factors.

Pursuant to SB 350, the Disadvantaged Communities Advisory Group will review and provide advice on clean energy programs proposed by the CPUC and the CEC in response to the statutory requirements in SB 350 and determine whether those proposed programs will be effective and useful in disadvantaged communities.

Specifically, the law requires that the Advisory Group meet the following requirements:

*The commission and the Energy Commission shall do all of the following in furtherance of meeting the state’s clean energy and pollution reduction objectives:*

*(g) Establish an advisory group consisting of representatives from disadvantaged communities identified in Section 39711 of the Health and Safety Code.<sup>2</sup> The advisory group shall review and provide advice on programs proposed to achieve clean energy and pollution reduction and determine whether those proposed programs will be effective and useful in disadvantaged communities.*

### Purpose

The purpose of this Joint Staff Draft Proposal is to:

- Inform stakeholders of and attract interest in the Disadvantaged Communities Advisory Group

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<sup>1</sup> See Public Utilities Code, Section 400(g)

<sup>2</sup> 39711(a) The California Environmental Protection Agency shall identify disadvantaged communities for investment opportunities related to this chapter. These communities shall be identified based on geographic, socioeconomic, public health, and environmental hazard criteria, and may include, but are not limited to, either of the following:

(1) Areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects, exposure, or environmental degradation.

(2) Areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment.

- Propose a set of guiding principles for the Advisory Group
- Propose roles and responsibilities of Advisory Group members, as well as minimum requirements necessary to serve on the Advisory Group
- Propose roles and responsibilities of the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC)
- Solicit feedback from stakeholders
- Identify outstanding questions regarding the Structure and Framework of the Advisory Group to be resolved

## Disadvantaged Communities Advisory Group Guiding Principles

The Disadvantaged Communities Advisory Group shall review and provide advice on programs proposed to achieve clean energy and pollution reduction and determine whether those proposed programs will be effective and useful in disadvantaged communities.

In providing advice, the Disadvantaged Communities Advisory Group shall consider the extent to which proposed programs:

1. Increase the *benefits* of clean energy programs in disadvantaged communities;
2. Increase *access* to clean energy technologies for disadvantaged communities; and
3. Maintain the *affordability* of electric and gas service.

## Advisory Group Formation, Membership and Composition

The Disadvantaged Communities Advisory Group shall be formed by a charter adopted by a joint resolution of the CPUC and the CEC at their respective Business meetings. The Disadvantaged Communities Advisory Group shall have eleven members. The CPUC and the CEC will each accept five nominations of Advisory Group members through a public process. The Governor's Tribal Advisor or her designee will fill the eleventh position.<sup>3</sup> The Advisory Group shall consist of members from disadvantaged communities across the state of California, including rural and tribal communities. Members shall also represent the cultural and ethnic diversity of disadvantaged communities throughout the state.

Members of the Advisory Group shall be precluded from providing advice on programs in which they, their employers, or organizations they represent have a financial interest.

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<sup>3</sup> This appointment does not preclude other tribal representatives from consideration for other Advisory Group positions.

## Criteria for Selection

Members may reside in a disadvantaged community or belong to an organization which represents or serves disadvantaged communities.

SB 350's mandates related to disadvantaged communities affect a number of energy program and policy areas. These include, but are not limited to, energy efficiency, transportation electrification (including electric vehicles), renewable energy, research and development investments, and integrated resource planning. The Disadvantaged Communities Advisory Group will be expected to review and publicly discuss proposed SB 350-related as well as other clean energy initiatives, and to provide advice to the two Commissions. Each member should demonstrate ability to:

1. Be informed regarding environmental health and economic conditions in the community or communities represented, as well as the relevant state energy programs;
2. Have regular interaction with the respective disadvantaged community represented and provide feedback to the Advisory Group based on those interactions; and
3. Consider the diverse voices of statewide disadvantaged communities and integrate them into recommendations.

## Advisory Group Responsibilities

The Advisory Group will hold quarterly meetings in a public setting to discuss proposed programs to reduce air pollution and achieve clean energy. The Advisory Group will be subject to the Bagley-Keene Open Meetings Act, and will be required to give advance public notice of its meetings, hold the meetings in public locations that are accessible to people with disabilities, and to vote on their recommendations at duly noticed public meetings where a quorum of members is present.

The Advisory Group is expected to summarize their review and advice in a written report to be submitted annually to both Commissions. More frequent reporting may be necessary as appropriate.

The Advisory Group is also expected to perform outreach to and solicit feedback from the various disadvantaged and low-income communities they represent on the impacts of CPUC and CEC clean energy and pollution reduction programs.

## CPUC and CEC Responsibilities

CPUC and CEC will jointly issue a notice calling for the nomination of candidates for the Disadvantaged Communities Advisory Group. This notice, stating the minimum requirements and responsibilities of

the positions, will be sent to active agency service lists whose proceedings include subject matter focused on disadvantaged communities, and the notice will also be posted on the websites of the two commissions. The CPUC and CEC may each designate a Commissioner to take the lead in coordinating efforts to develop the Advisory Group. The vetting, approval and coordinating process will occur each time there is a new Advisory Group vacancy.

After commencement of the Advisory Group, CPUC and CEC staff will assist with meeting organization, logistics, meeting facilitation, and travel reimbursement claims. Agendas and minutes will be posted on the websites of both the CPUC and CEC.

## Questions for Comment

1. In what ways should the Straw Proposal be modified to better align with the mandates of SB 350, including PU Code 400, PU Code 454.52(a)(1), PU Code 740.8, and PU Code 740.12(a)(1) and other mandates related to disadvantaged communities?
2. Are there other ways in which the Disadvantaged Communities Advisory Group can provide advice to CPUC and CEC (e.g., informal written comments to the CPUC and CEC, providing reports to the CPUC and CEC, etc.)?
3. Are there specific programs and policy areas related to SB 350 which the Disadvantaged Communities Advisory Group should focus on? If so, please name.
4. In light of Disadvantaged Communities Advisory Group's responsibility to review SB 350 programs, are there additional areas of knowledge or expertise that should be sought in candidates beyond those described on page three?
5. The Advisory Group may review technical information regarding proceedings and programs related to integrated resource planning, transportation electrification, and other clean energy technologies. Should prospective members be recruited who have an interest or background/experience in one or more of the following subject areas? Explain your response.
  - a. Clean energy technologies, such as distributed generation, energy efficiency, renewables, etc.
  - b. Transportation electrification;
  - c. Electric or Natural Gas resource planning;
  - d. Local economics (including job and training potential) with respect to clean energy development;
  - e. Air quality and related health impacts; or
  - f. Greenhouse gas and/or air pollutant controls from a technical or policy perspective.

6. Are there any other subject area backgrounds that the Commissions should seek out in prospective applicants?
7. Should the Advisory Group charter assign specific roles to the eleven <sup>4</sup> member positions based on policy, issue or geographic areas, such as “air quality/health impacts designee” or “transportation electrification designee”?
8. Should any leadership positions be designated in the Group’s charter, other than Chair, and Secretary? Should the officers’ roles be assigned to particular specialties or represented particular communities, rather than be open to any interested members? Are there additional responsibilities desired for each position?
9. If the CPUC and CEC cannot find willing candidates with the desired qualifications, how should they proceed to establish the Advisory Group?
10. How can the work of the Disadvantaged Communities Advisory Group and the Low Income Oversight Board (LIOB) be best coordinated?
11. How can the work of the Disadvantaged Communities Advisory Group and the Air Resources Board’s Environmental Justice Advisory Committee be best coordinated?

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<sup>4</sup> The eleventh will be reserved for a Tribal representative.